

Adopted	Rejected
---------	----------

## COMMITTEE REPORT

YES:	10
NO:	0

### MR. SPEAKER:

*Your Committee on* Appointments and Claims, to which was referred Senate Bill 4, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 5-22-3-6.9 IS ADDED TO THE INDIANA CODE
- 3 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 4 1, 2004]: **Sec. 6.9. The state's procurement practices must be**
- 5 **supportive of retention and creation of jobs in Indiana.**
- 6 SECTION 2. IC 5-22-3-7 IS ADDED TO THE INDIANA CODE AS
- 7 A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,
- 8 2004]: **Sec. 7. (a) This section applies to a solicitation for a contract**
- 9 **that would require the contractor to perform any of a**
- 10 **governmental body's functions that are performed at the time of**
- 11 **the solicitation by the governmental body's employees.**
- 12 **(b) A representative of any group of the governmental body's**
- 13 **employees may submit, in response to a solicitation described in**
- 14 **subsection (a), an offer for the group of employees to perform the**
- 15 **functions that are the subject of the solicitation.**

1       (c) The governmental body shall award the contract to the  
2 group of employees if this article would otherwise require the  
3 contract to be awarded to a person that submitted the group's  
4 offer.

5       SECTION 3. IC 5-22-5-9 IS ADDED TO THE INDIANA CODE AS  
6 A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
7 2004]: **Sec. 9. (a) This section applies to a solicitation for a contract**  
8 **that would require the contractor to perform any of a**  
9 **governmental body's functions that:**

10       (1) are performed at the time of the solicitation by the  
11 governmental body's employees; and

12       (2) would result in the layoff or dismissal of any of the  
13 governmental body's employees.

14       This section does not apply to a purchase under IC 5-22-13.

15       (b) A solicitation described in subsection (a) must include the  
16 following:

17       (1) An estimate of the cost the governmental body would  
18 incur in performing the functions covered by the contract  
19 with the governmental body's employees during the period  
20 comprising the term of the proposed contract. The estimate  
21 must include labor, overhead, administrative, equipment,  
22 supply, and any other costs.

23       (2) A requirement that the offeror must provide objective,  
24 verifiable evidence that:

25           (A) is satisfactory to the governmental body; and

26           (B) demonstrates that if the offeror is awarded the  
27 contract, the cost of the contract over the term of the  
28 contract will be less than the amount described in  
29 subdivision (1).

30       (3) A statement that the contract between the governmental  
31 body and the offeror must contain a provision that the  
32 governmental body may not pay to the offeror, over the term  
33 of the contract, more than the amount described in  
34 subdivision (1).

35       (4) A statement that the contract between the governmental

body and the offeror may provide for the deposit of surety bonds, the making of good faith deposits, liquidated damages, the right of reversion or repurchase, or other rights and remedies if the offeror fails to comply with the contract.

SECTION 4. IC 5-22-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) Supplies and services purchased under this chapter must:

- (1) meet the specifications and needs of the purchasing governmental body; and
- (2) be purchased at a fair market price.

(b) Supplies and services purchased under this chapter are not subject to IC 5-22-5-9.

SECTION 5. IC 5-22-16-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 7. (a) This section applies to a solicitation for a contract that would require the contractor to perform any of a governmental body's functions that:

- (1) are performed at the time of the solicitation by the governmental body's employees; and
- (2) would result in the layoff or dismissal of any of the governmental body's employees.

This section does not apply to a purchase under IC 5-22-13.

(b) An offeror may not be considered responsive to a solicitation described in subsection (a) if the offeror does not provide objective, verifiable evidence that:

- (1) is satisfactory to the governmental body; and
- (2) demonstrates that, if the offeror is awarded the contract, the cost of the contract over the term of the contract will be less than the cost the governmental body estimates the governmental body would incur in performing the functions covered by the contract with the governmental body's employees during the period comprising the term of the proposed contract.

SECTION 6. IC 5-22-17-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

1       1, 2004]: **Sec. 15. (a) This section applies to a contract that would**  
2       **require the contractor to perform any of a governmental body's**  
3       **functions that:**

4               **(1) are performed at the time of the solicitation for the**  
5               **contract by the governmental body's employees; and**  
6               **(2) would result in the layoff or dismissal of any of the**  
7               **governmental body's employees.**

8       **This section does not apply to a purchase under IC 5-22-13.**

9               **(b) A contract referred to in subsection (a) must contain the**  
10       **statement described in IC 5-22-5-9(b)(3).**

              (Reference is to SB 4 as reprinted January 28, 2004.)

**and when so amended that said bill do pass.**

